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SENSITIVE
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STATE FOR SCA/PB M TOWNSWICK
E.O. 12958: N/A
TAGS: [EAID](#) [ECON](#) [EFIN](#) [IBRD](#) [IMF](#) [AS](#) [PK](#)
SUBJECT: AUSTRALIA SEEKS MORE INFO ON PAKISTAN CONFERENCE

REF: A) STATE 124618

[¶1.](#) (SBU) Summary. Econoff met with Department of Foreign Affairs and Trade (DFAT) and AusAID officials December 2 to discuss reftel potential Pakistan donors conference. The GOA officials were unable to make any commitments, but are clearly interested. However, they need more details before they can make any recommendations. End Summary.

FOREIGN MINISTER AVAILABILITY

[¶2.](#) (SBU) DFAT Pakistan Director Lisa Rice-Madan said that FM Steve Smith is interested in Pakistan, and planned (schedule permitting) to attend the Friends of Democratic Pakistan meeting in Islamabad in February. DFAT does not know whether FM Smith would be able to attend a December 16 meeting in New York, noting he was due to attend the East Asian Summit at that time (now postponed per press reports to January). Rice-Madan noted that France is organizing an Afghanistan event at about the same time. Rice-Madan could not say who might be available to attend should FM Smith be unable.

MORE DETAILS NEEDED

[¶3.](#) (SBU) Alistair Sherwin, Assistant Director General for Humanitarian Relief and the Middle East at AusAID, said Australia would need more information before being able to commit to pledging at a conference. He noted that AusAID's budget for the current fiscal year (July 1-June 30) including assistance for Pakistan is largely committed, so there is less flexibility now.

[¶4.](#) (SBU) Sherwin and Rice-Madan had specific questions. They wanted greater detail on precisely what is proposed for the conference. Would this assistance just be "budget support" (something difficult for AusAID to do)? Is it a short-term commitment? Define "safety net" - could this include for example rural development, which Australia is undertaking in Pakistan? Would this be done through the World Bank Trust Fund, or through some other mechanism? What would be the rules around pledging, i.e. narrowly focused on budget support (which Sherwin noted seemed to be the intent from the nonpaper), or would other development assistance be something that could be considered? How would this fit into the comprehensive strategy for Pakistan? Would the US contribute to this, and how - through the World Bank? What have been the responses from other donor countries contacted about this conference proposal?

[¶5.](#) (SBU) Comment: The GOA is concerned about Pakistan, eager to remain engaged, and interested in participating in such a conference. For them to sell this conference and new pledges for Pakistan to the Rudd Cabinet, they clearly feel they need greater detail. End comment.

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